



United States Department of the Interior

NATIONAL PARK SERVICE

1849 C Street, N.W.

Washington, D.C. 20240

IN REPLY REFER TO:

MAR 23 2012

Mr. David Carroll
611 Webward Avenue, LLC
1092 Woodward Avenue
Detroit, Michigan 48226

Re: **Chase Tower, 611 Woodward Avenue, Detroit, Michigan**
Project Number: **26676**

Dear Mr. Carroll:

I have concluded my review of your appeal of the decision of Technical Preservation Services (TPS), denying certification of the rehabilitation of the property cited above. The appeal was initiated and conducted in accordance with Department of the Interior regulations (36 CFR Part 67) governing certifications for Federal income tax incentives for historic preservation as specified in the Internal Revenue Code. I thank you and Mr. John Tess for meeting with me in Washington on February 28, 2012, and for providing a detailed account of the project.

After careful review of the complete record for this project, I have determined that the rehabilitation of Chase Tower is not consistent with the historic character of the property and the historic district in which it is located, and that the project does not meet Standards 2, 5, and 6 of the Secretary of the Interior's Standards for Rehabilitation (the Standards). Therefore, the denial issued on January 20, 2012, by TPS is hereby affirmed. However, I have further determined that the project could be brought into conformance with the Standards, and thereby be certified, if the corrective measures described below are undertaken.

Built in 1959, Chase Tower was designed by the firm of Albert Kahn Associated Architects and Engineers. It is located in the Detroit Financial Historic District, and was certified as contributing to the significance of the district on December 1, 2011. The rehabilitation was found not to meet the Standards owing to the work already completed on floors 5 through 12. (Floors 1 through 4, occupied by an existing tenant, are slated for rehabilitation at a later time.) On the floors affected, work involved removal of the ceiling finish to expose the concrete floor slab above, and installation of new visible utilities (ducts, conduits, piping, etc.).

I agree with TPS that these treatments have impaired the overall historic character of the Chase Tower. And while I agree with Mr. Tess that the building's exterior, "two-story glass pedestal lobby," and mezzanine rank first among the structure's character-defining interior elements, I do not agree with the claim that virtually the entire rest of the building contributes little to its historic character. Prior to rehabilitation, the upper floors retained their character as finished, mid-century office spaces. Removal of the ceiling finishes to reveal the structure above and insertion of exposed and unpainted ductwork and other mechanical elements have transformed the finished interiors into unfinished space more typical of a warehouse or other industrial building than of a mid-twentieth century office building—even one that had been altered to some degree previously. I have determined that the alterations to floors 5 through 12 are so extensive and present such a radically different appearance that they are fundamentally incompatible with the historic character of these floors. Consequently, I find that the impact of these changes to the overall historic character of the building causes the rehabilitation to not meet Standards 2 and 6. Standard 2 states: *"The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided."* Standard 6 states: *"Deteriorated historic features shall be repaired rather than replaced. Where the severity of*

deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence."

In addition, I agree with TPS that demolition of the perforated metal ceiling on these floors causes the project to contravene Standard 5, which states: "*Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.*" The metal ceiling was a character-defining feature of the office floors, in part because it had a reflective quality that was quite evident in the pre-rehabilitation photographs.

While the project cannot be approved in its current state, I have further determined that it could be brought into conformance with the Standards if a substantial percentage of the finished ceiling were to be reinstated on each floor. Given that the floor plan varies from floor to floor, it is reasonable to expect that the actual area of reinstated ceiling will vary from floor to floor. The ceiling should reproduce visual qualities of the metal one removed, following the requirements of Standard 6, quoted above. The plane of the new ceiling must be held above the window heads and must conceal the greater part of the ductwork and other elements now exposed to view. In those places where the ductwork drops too low to be covered by the new ceiling, the ductwork must be painted to match the ceiling. The new decorative "clouds" may be retained suspended below the reinstated ceiling plane, as the "clouds" relate to and help to define the new open-office floor plans.

If you choose to modify the project as stipulated here, you should submit a Part 2 amendment describing the work, with detailed drawings of the proposed modifications, to TPS, Attention: Mr. Michael Auer, with a copy to the Michigan State Historic Preservation Office. However, please note that this project will remain ineligible for the tax incentives until it is designated a "certified rehabilitation" following completion of all phases of the overall project. This caution is especially important in this case because the work undertaken to date involves a portion of the building only, albeit a substantial part. As TPS noted—and as we discussed at our meeting—the rehabilitation proposal originally called for major changes to the building's first two floors on the interior and the exterior, as well as the construction of a rooftop addition. These elements were deleted from the proposal while it was still under review by TPS. Accordingly, they did not figure either in the initial review by TPS or in my decision. However, as you noted, these items or some version of them may be proposed in subsequent plans for the building's reuse. Consequently, given the complex history of this project to date, I strongly urge you to secure the required approvals before proceeding with any future phases of the rehabilitation.

As Department of the Interior regulations state, my decision is the final administrative decision with respect to the January 20, 2012, denial that TPS issued regarding rehabilitation certification. A copy of this decision will be provided to the Internal Revenue Service. Questions concerning specific tax consequences of this decision or interpretations of the Internal Revenue Code should be addressed to the appropriate office of the Internal Revenue Service.

Sincerely,



John A. Burns, FAIA
Chief Appeals Officer
Cultural Resources

cc: SHPO-MI
IRS